

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1927
ANSWERED ON:26.07.2002
NAGPUR CO OPERATIVE BANK
RENUKA CHOWDHURY;SUSHIL KUMAR SAMBHAJIRAO SHINDE

Will the Minister of FINANCE be pleased to state:

- (a) the findings of the inquiries into the Nagpur Co-operative Bank fraud case:
- (b) the details of the persons found involved and the nature and extent of involvement; and
- (c) the steps taken and being taken against them?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANT G.. GEETE)

(a) & (b): Reserve Bank of India (RBI) has reported that during the course of regular statutory inspection by National Bank for Agriculture and Rural Development (NABARD) of Nagpur District Central Co-operative Bank (DCCB), certain irregularities in the investment transactions of the bank involving M/ s. Home Trade Ltd. and a few other broking firms were found. It was noticed that five brokers including M/ s. Home Trade Ltd., had not delivered the securities worth Rs.149.82 crores to Nagpur OCCB. The broker-wise details are given below:

(Rs. in Crores)

- | | |
|--|--------|
| 1. M/s. Home trade Ltd. | 94.31 |
| 2. M/s Indramani Merchants Pvt. Ltd. | 16.20 |
| 3. M/s. Syndicate Management Services Ltd. | 16.62 |
| 4. Gilt Edge Management Services Ltd. | 11.20 |
| 5. M/s. Century Dealers Pvt. Ltd. | 11.49 |
| Total | 149.82 |

Govt. of Maharashtra has set up a Special task Force for the investigation, which is in progress.

(c): RBI has reported that the Chairman of Nagpur DCCB has since been arrested and police investigations are on. The General Manager of the bank has also since been removed and placed under suspension by the Maharashtra State Cooperative Bank.